

CONFIDENTIAL

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Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

FILED/ACCEPTED

APR 30 2007

Federal Communications Commission  
Office of the Secretary

In the Matter of )

**COMMERCIAL RADIO SERVICE, INC.**

**EB DOCKET NO. 06-168**

Licensee of Private Land Mobile Stations  
WNDS861, Reelsville, Indiana; WNIL729,  
Paxton, Indiana; WPCJ772, West Terre Haute,  
Indiana; and WPNU312 Greencastle,  
Indiana/West Terre Haute, Indiana

File No. EB-06-1H-1362

NAL Acct. No. 200632080166

Licensee of Commercial Land Mobile Station  
WNGE348, West Terre Haute, Indiana

**TIMOTHY M. DOTY**

Licensee of General Radiotelephone Operator  
License PG1814366; and Amateur Radio  
Operator and Licensee of Amateur Radio  
Station WB9MDC, West Terre Haute, Indiana )

**SETTLEMENT AGREEMENT**

1. **The** Enforcement Bureau of the Federal Communications Commission. Commercial Radio Service, Inc., Timothy M. Doty. and Gary C. Doty hereby enter into this Settlement Agreement for the purpose of resolving and terminating the above-captioned proceeding initiated by an Order to Show Cause issued by the Commission on August 30, 2006.
2. For purposes of this Settlement Agreement, the following definitions shall apply:
  - a) "Act" means the Communications Act of 1934, as amended. 47 U.S.C. § 151 *et seq.*
  - b) "Approving Order" means an order of the Presiding Administrative Law Judge or the Chief Administrative Law Judge approving this Settlement Agreement and terminating the proceeding in EB Docket No. 06-168.
  - c) "Any" shall be construed to include the word "all," and the word "all" shall be construed to include the word "any." Additionally, the word "or" shall be construed to include the word "and," and the word "and" shall be construed to

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include the word "or." The word "each" shall be construed to include the word "every." and the word "every" shall be construed to include the word "each."

dj "Attributable Principal" means the following:

1. in the case of a corporation, a party holding 10 percent or more of stock, whether voting or nonvoting, common or preferred;
2. in the case of a limited partnership, a limited partner whose interest is 10 percent or greater (as calculated according to the percentage of equity paid in or the percentage of distribution of profits and losses);
3. in the case of a general partnership, a general partner;
4. in the case of a limited liability company, a member whose interest is 10 percent or greater;

c) "Bureau" means the FCC's Enforcement Bureau.

f) "Commission's Rules" means Part 47 of the Code of Federal Regulations.

g) "CRS" means Commercial Radio Service, Inc., licensee of Private Land Mobile Stations WNDS861, Reelsville, Indiana; WNIL729, Paxton, Indiana; WPCJ772, West Terre Haute, Indiana; and WPNU312 Greencastle, Indiana/West Terre Haute, Indiana; and licensee of Commercial Land Mobile Station WNGE348, West Terre Haute, Indiana.

li) "Effective Date" means the date on which the Presiding Administrative Law Judge or the Chief Administrative Law Judge releases the Approving Order.

i) "FCC" or "Commission" means Federal Communications Commission

j) "Final Order" means that, with respect to the Approving Order: (1) no administrative appeal of any kind has been filed or is pending before the FCC, and the time for filing any such appeal has lapsed; (b) no request to stay, vacate, annul, reverse, or set aside has been filed, and the time for filing any such request has lapsed; (c) no order staying, vacating, reversing, setting aside, annulling or suspending the Approving Order has been released; (d) the Commission, on its own motion, has not proposed or taken any action inconsistent with or adverse to the Approving Order, and the time for doing so has lapsed; (e) no judicial appeal of any kind has been filed or is pending, and, if permitted, the time for filing any such appeal has lapsed.

k) "Gary C. Doty" means Gary C. Doty, one of two principals in CRS.

l) "Order to Show Cause" means *Commercial Radio Service, Inc.*, Order to Show Cause, FCC 06-128 (rel. August 30, 2006).

- m) "Parties" means the CRS, Timothy M. Doty, Gary C. Doty, and the Bureau, collectively: and "Party" refers to CRS, Timothy M. Doty, **Gary C. Doty** and the Bureau: individually.
- n) "Proceeding" means the evidentiary hearing initiated by the Order to Show Cause.
- o) "STA" means Special Temporary **Authority**.
- p) "Timothy M. Doty" means Timothy M. Doty, one of two principals in CRS and the licensee of General Radiotelephone Operator License PG **1814366**; and Amateur Radio Operator and Licensee of Amateur Radio Station WB9MDC, West Terre Haute, Indiana.

## **I. BACKGROUND**

- 3. CRS **is** engaged in the sales and service of two-way radio communications equipment in the Terre Haute, Indiana, area. CRS is the licensee of the FCC licenses identified in paragraph 2(g), above.
- 4. Since at least January 1, 1990, Timothy **M.** Doty has been a Director and 50 percent voting shareholder of CRS. Timothy M. Doty also was President of CRS from January 1, 1990, through May 9, **2006**. Timothy M. Doty, in his individual capacity, holds the licenses identified in paragraph 2(p), above.
- 5. Since at least January 1, 1990, Gary **C.** Doty has been Secretary and Treasurer, a Director, and 50 percent voting shareholder of CRS. Effective May 9, 2006, Gary C. Doty also became President of CRS.
- 6. On May 31, 1991, Timothy M. Doty was found guilty in the **U.S.** District Court for the Southern District of Indiana, Terre Haute Division, of violating 18 U.S.C. § 2512(1)(b), involving the manufacture and possession of unauthorized satellite TV signal descrambling devices, a felony. **He** was sentenced to **three** years probation and a \$2,000 fine.
- 7. On November 15, 2001, Timothy M. Doty was found guilty in State of Indiana Vigo Superior Court, Division **5**, of felony possession of a controlled substance. He was sentenced to 18 months in the Indiana Department of Corrections. which sentence was suspended except for 30 days.
- 8. In late 2005, the Commission received information indicating that CRS may not have properly disclosed information about felony convictions of Timothy M. Doty in applications filed with the Commission. Thereafter, the Bureau commenced an investigation into CRS' compliance with the Commission's Rules and the Act.
- 9. The investigation revealed that, subsequent to the first of Timothy M. Doty's felony convictions, CRS filed two license applications with **the** Commission in which CRS

answered "No" to the question inquiring whether the applicant or any party directly or indirectly controlling the applicant had ever been convicted of a felony **in** state or federal court. In each of **the** referenced applications, CRS certified that all of the statements therein were true, complete, correct, **and** made in good faith.

10. In its Order to Show Cause, the Commission commenced a license revocation hearing against CRS and Timothy M. Doty in **EB** Docket No. 06-168 on the following issues:
- a) to determine the effect of Timothy M. Doty's felony convictions on his qualifications to be and to remain a Commission licensee;
  - b) to determine the effect of Timothy M. Doty's felony convictions on **the** qualifications of CRS to be and to remain a Commission licensee;
  - c) to determine whether CRS made misrepresentations and/or lacked candor and/or violated Section I.17 of the Commission's rules regarding the felony convictions of Timothy M. Doty **in** any applications filed with the Commission;
  - d) to determine whether CRS failed to timely amend Commission applications to disclose Timothy M. Doty's felony convictions, in violation of Section I.65 of the Commission's rules;
  - e) to determine whether CRS made false certifications in any applications filed with the Commission;
  - f) to determine, in light of the evidence adduced pursuant to the foregoing issues, whether Timothy **h4**. Doh is qualified to be and to remain a Commission licensee;
  - g) to determine, in light of the evidence adduced pursuant to the foregoing issues, whether CRS is qualified to be and to remain a Commission licensee;
  - h) to determine, in light of the evidence adduced pursuant to the foregoing issues, whether the above-captioned licenses of Timothy M. Doty should be revoked;
  - i) to determine, in light of the evidence adduced pursuant to the foregoing issues (a) through (h), whether the above-captioned licenses of CRS should be revoked.

The Order to Show Cause also ordered, irrespective of the resolution of the foregoing issues, that a determination be made whether to issue an Order of Forfeiture against CRS for having failed to disclose **the** felony convictions of Timothy **M.** Doty in one or more of **its** applications.

11. The Parties acknowledge that a settlement agreement would serve the public interest by avoiding a protracted hearing proceeding that would involve the expenditure of substantial public and private resources. To conserve such resources, the Parties hereby enter into this Settlement Agreement, subject to approval by the Presiding Administrative Law Judge or the Chief Administrative Law Judge, in consideration of the mutual commitments made herein.

## II. AGREEMENT

12. The Parties agree and acknowledge that this Settlement Agreement shall constitute a final settlement between them of the Proceeding and the Order to **Show Cause**. In consideration for the mutual representations, acknowledgements, and commitments made herein, the Parties agree **as** follows:
13. The Parties agree **that** this Settlement Agreement is for settlement **purposes** only and that signing does not constitute an admission by CRS, **Gary C. Doty** or Timothy M. Doty of any violation of the Act or the Commission's **Rules** arising from their actions or admissions **as** described in the Order to Show Cause.
14. The Parties agree that the provisions of this Settlement Agreement shall be subject to approval by the Presiding Administrative Law Judge or the Chief Administrative Law Judge.
15. The Parties agree that this Settlement Agreement shall become effective on the Effective Date.
16. The Parties agree that they shall, within 14 business days of the execution by all signatories to this Settlement Agreement, jointly file a written request to the Presiding Administrative Law Judge seeking approval of this Settlement Agreement and termination of the proceeding in EB Docket No. 06-168. The Settlement Agreement shall be filed under separate cover with a joint motion requesting **that** the Settlement Agreement be kept under seal until the Effective Date.
17. The Bureau agrees that, in the absence of material new evidence, it will not, on its own motion, initiate or recommend to the Commission, any new proceeding, formal or informal, against CRS, Timothy M. Doty or Gary C. Doty for alleged violations relating to the matters which formed the basis for the Order to Show Cause. Nothing in this Settlement Agreement shall prevent the Bureau from instituting or recommending to the Commission, investigations or enforcement proceedings against CRS, Timothy M. Doty or Gary C. Doty in the event of any alleged future misconduct or for violation of this Settlement Agreement or for violation of **the** Act or **the** Commission's Rules, consistent with the provisions of this Settlement Agreement. In addition, nothing in this Settlement Agreement shall prevent the Bureau from considering any information which formed the basis for the Order to Show Cause in determining appropriate sanctions for **an** future misconduct on the part of CRS, Timothy M. Doty or Gary C. Doty.
18. CRS represents that the FCC licenses identified in paragraph 2(g), above, constitute all the FCC licenses and instruments of authorization held by it or in which it has an interest of any kind.
19. Timothy M. Doty represents that the FCC licenses identified in paragraph 2(g) and (p), above, constitute all the FCC licenses and instruments of authorization held by him or in which he has an interest of any kind.

20. Gary C. Doty represents that he holds no **FCC** licenses in his individual capacity, and the licenses identified in paragraph 2(g), above, constitute all the licenses and instruments of authorization in which he has an interest of any kind.
21. Timothy M. Doty agrees that, upon the Effective Date, the **FCC** licenses identified in paragraph 2(p), above, shall be deemed to have been surrendered by him to the Commission for unconditional and immediate cancellation, and further that such licenses at such time shall be deemed to be cancelled.
22. CRS agrees that it shall, within **2** business days of the Effective **Date**, file a written request to the Commission for an STA to continue operating pursuant to the terms and conditions of the licenses referenced in paragraph 2(g), above, for a period not to exceed 90 days, during which time CRS further agrees that it shall use all reasonable means to assist its customers in transitioning, relocating, and otherwise moving to other communications service providers without interruption or disruption of or to their service. CRS further agrees that upon grant of such STA, the **FCC** licenses identified in paragraph 2(g), above, shall be deemed to have been surrendered by CRS to the Commission for unconditional and immediate cancellation, and further that such licenses at such time shall be deemed to be cancelled.
23. CRS acknowledges that no extensions of the STA referenced herein **shall** be granted and no requests for such shall be entertained.
24. Timothy M. Doty agrees that, for a period of 5 years from the Effective Date, he **shall** refrain from applying to the Commission in his individual capacity for any **FCC** license or instrument of authorization. Timothy M. Doty further agrees that, henceforth from the Effective **Date**, he shall refrain from serving as an Attributable Principal in any entity that applies for any **FCC** license or instrument of authorization and, with the exception of CRS and the STA authority contemplated in paragraph **22**, above, serving as **an** Attributable Principal in any entity that holds an **FCC** license or instrument of authorization. Timothy M. Doty further agrees that, after a period of **5** years from the Effective Date, he may apply to the Commission, if at all, in his individual capacity and only for an **FCC** license or instrument of authorization in the Amateur Radio Service.
25. Gary C. Doty agrees that, for a period of 5 years from the Effective Date, he shall refrain from: (a) applying to the Commission in his individual capacity for any **FCC** license or instrument of authorization; (b) serving as an Attributable Principal in any entity that applies for any **FCC** license or instrument of authorization; and, with the exception of CRS and the STA authority contemplated in paragraph **22** above, (c) serving as an Attributable Principal in any entity that holds **an FCC** license or instrument of authorization.
26. Timothy M. Doty and Gary C. Doty each agrees, that if, after a period of 5 years from the Effective Date, he applies to the Commission for any **FCC** license or instrument of authorization in his individual capacity, or, in the case of Gary C. Doty, as a principal in an applicant, the applicant shall, in the interest of full disclosure, provide information

about the Order to Show Cause and the disposition of the proceeding in EB Docket No. 06-168 in response to any question which inquires whether the applicant or any party thereto ~~has~~ ever had an FCC authorization revoked or ~~been~~ involved in a license revocation proceeding before the FCC. Timothy M. Doty and Gary C. Doty each acknowledges that the Commission shall process each such application and evaluate the applicant's basic and other qualifications to be a Commission licensee in the ordinary course. The Bureau agrees, in the absence of any ~~intervening~~ felony convictions or Commission-related misconduct by Timothy M. Doty and/or Gary C. Doty, to recommend to the Commission that it not designate for hearing any of the issues ~~in~~, or consider the conduct which gave rise to, the Order to Show Cause in evaluating such qualifications.

27. CRS, Gary C. Doty, and Timothy M. Doty, individually and collectively, agree to make, within 5 business days of the Effective Date, a voluntary contribution to the United States Treasury in the total amount of \$10,000. The payment must be made by check or ~~similar~~ instrument, payable to the order of the Federal Communications Commission. ~~The~~ payment must include NAL/Acct.No. 200632080166 and CRS' FRN No. 0003936358. Payment by check or money order may be mailed to Federal Communications Commission, P.O. Box 358340, Pittsburgh, PA 15251-8340. Payment by overnight mail may be sent to Mellon Bank /LB 358340, 500 Ross Street, Room 1540670. Pittsburgh, PA 15251. Payment by wire transfer may be made to ABA Number 043000261. receiving bank Mellon Bank, and account number 91 16229.
28. CRS, Timothy M. Doty, Gary C. Doty, ~~and~~ the Bureau each agrees to waive any and all rights they may have, collectively and individually, to seek administrative or judicial reconsideration, review, appeal or stay, or to otherwise challenge or contest the validity of this Settlement Agreement and the Approving Order. If the Bureau, the Commission, or the United States acting on its behalf, brings a judicial action to enforce the terms of the Approving Order or this Settlement Agreement or both, neither CRS, Timothy M. Doty nor ~~Gary C. Doty~~, collectively or individually, will contest the validity of this Settlement Agreement or the Approving Order. ~~CRS~~ . Timothy M. Doty and Gary C. Doty do not waive any statutory right to a trial ~~de novo~~ to determine whether they violated this Settlement Agreement.
29. The decision of CRS, Timothy M. Doty, Gary C. Doty, and the Bureau to enter into this Settlement Agreement is expressly contingent upon the approval of the agreement and the issuance of the Approval Order by the Presiding Administrative Law Judge or the Chief Administrative Law Judge. The Parties agree that CRS, Timothy M. Doty, Gary C. Doty, or the Bureau may withdraw from this Settlement Agreement if any revision, change, addition, or modification is made to its terms.
30. ~~In~~ the event that this Settlement Agreement is rendered invalid in any ~~court~~ of competent jurisdiction, it shall become null and void and may not ~~be used~~ in any manner in any legal proceeding.
31. CRS, Timothy M. Doty and Gary C. Doty agree to waive any claims they may otherwise have, collectively and individually, under the Equal Access to Justice Act, 5 U.S.C. § 504

and 47 C.F.R. § 1.1501 et seq., relating to the matters addressed in this Settlement Agreement.

32. Each Party represents and warrants to the other that it has full power and authority to enter into this Settlement Agreement.

33. **CRS.** Timothy M. Doty and Gary C. Doty, individually and collectively, agree to comply with each individual term and condition of this Settlement Agreement. Each specific term and condition is a separate term and condition of the Settlement Agreement, as approved. To the extent that CRS. Timothy M. Doty or Gary C. Doty fails to satisfy any term or condition, in the absence of Commission alteration of the term or condition, CRS, Timothy M. Doty or Gary C. Doty will be in breach of the provisions of the Settlement Agreement, and may be subject to enforcement action, and such breach shall be considered by the Commission in any future application or other proceeding before the Commission.

34. This Settlement Agreement may be executed in counterparts,

**FEDERAL COMMUNICATIONS COMMISSION  
ENFORCEMENT BUREAU**

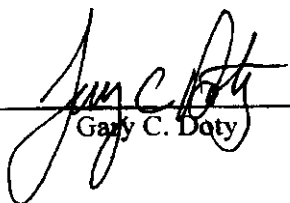
By: Kris Anne Monteith Date: 4/13/07  
Kris Anne Monteith, Chief

**COMMERCIAL RADIO SERVICE, INC.**

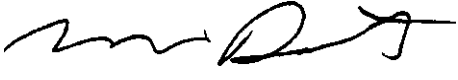
By: Gary C. Doty Date: 4/11/07  
Gary C. Doty



GARY C. DOTY

By:  Date: 4/11/07  
Gary C. Doty

TIMOTHY M. DOTY

By:  Date: 4-11-07  
Timothy M. Doty